

May 16, 1997

Chief Engineer

Chief Financial Officer

Managing issues related to the Year 2000

As part of our effort to minimize risks caused by hardware/software/firmware failure associated with the year 2000 century change, we would like language to be added during the procurement process to specify century compliance requirements for covered products. Please direct Office Engineering to add the language from *Paragraph A* to their standard "A" Agreements and language from *Paragraph B* to RFPs or licensing agreements whenever procuring computer hardware, software, firmware, and products with a significant electronic component.

Paragraph A The added language should read:

"Metropolitan Water District relies on the contractor's representation that warrants fault-free performance in processing of date and date related data (including, but not limited to, calculating, comparing, and sequencing) by all hardware, software, and firmware products delivered under this contract, individually and in combination, upon installation. Fault free includes the manipulation of this data with dates prior to, through, and beyond January 1, 2000. Hardware and software products, individually and in combination shall successfully transition into the year 2000 with the correct system date, without human intervention, including leap year calculations. Hardware and software products, individually and in combination, shall also provide correct results when moving forward or backward in time across the year 2000.

Contractors providing MWD with software development services for a specific product, shall not be responsible for correcting century compliance problems if all of the following conditions are met:

1. century compliance problems are unrelated to the contract work
2. work performed does not produce new century compliance problems

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3. Contractors notify Metropolitan of century compliance problems when they are encountered while performing contracted work."

Paragraph B:

"All hardware, software, and firmware products delivered under this procurement/contract must, individually and in combination, upon installation, perform fault-free processing of date and date related data (including, but not limited to, calculating, comparing, and sequencing). Fault free includes the manipulation of this data with dates prior to, through, and beyond January 1, 2000. Hardware and software products, individually and in combination shall successfully transition into the year 2000 with the correct system date, without human intervention, including leap year calculations,. Hardware and software products, individually and in combination, shall also provide correct results when moving forward or backward in time across the year 2000.

Vendors providing MWD with software development services for a specific product, shall not be responsible for correcting century compliance problems if all of the following conditions are met:

1. century compliance problems are unrelated to the contract work
2. work performed does not produce new century compliance problems
3. vendors notify Metropolitan of century compliance problems when they are encountered."

We have requested that Purchasing incorporate language from *Paragraph B* into relevant purchase agreements.

Bert Becker

Reviewed by: _____
Deputy General Counsel

Date: _____

cc: Steve Ferguson
Clarence Simmons
Larry Gibbs
Karla Sommerville